

INSIGHTS



107th Congress

April 9, 2001

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I. WEEKLY SUMMARY

HOUSE

The House is in recess until April 23.

SENATE

The Senate is in recess until April 23.

WHITE HOUSE

FY 2002 Budget Request – The President submits his detailed FY 2002 Budget Request today. A detailed review of this request with respect to new construction and renovation projects, energy efficiency, and related activities will be prepared for the readers of this newsletter and provided in a future issue of the *FEMP Monthly Update*. A quick review of the budget includes the following information of interest to FEMP.

Energy Efficiency and Renewable Energy – \$1,031.981 million (*funding does not reflect last-minute changes to the budget request*)

- **Federal Energy Management Program – \$13 million**
- Building Technologies – \$367 million (\$56 million for R&D and related programs plus \$311 million for the grants programs)
- Renewable Energy and Power Technologies – \$285 million
- Industrial Technologies – \$88 million
- Transportation Technologies – \$239 million
- Policy and Management – \$40 million

The budget request also addresses issues of concern to the Administration including, but not limited to, the following:

- **Improving Government Performance**
 - Link budget and management decisions to performance
 - Eliminate duplicative and ineffective programs
 - Expand the use of performance-based contracting
 - Incorporate successful private sector reforms throughout the Federal work force

INSIGHTS is prepared expressly for the Department of Energy's Office of Federal Energy Management Programs (FEMP). The purpose of ***INSIGHTS*** is to provide FEMP management staff with timely information on legislative activities relevant to the program. ***INSIGHTS*** is prepared for FEMP by Energetics, Incorporated, (202) 479-2748.

- Make e-procurement the government-wide standard
- Open government activities to competition

➤ **Department of Energy**

- Energy conservation will continue to address all program areas. Budget highlights include the weatherization grant program, industrial partnerships, and the gasoline-powered fuel cell system and advanced diesel engines for light duty trucks.
- Various applications for solar and renewable energy programs will continue to be addressed. Budget highlights include the cold-weather wind turbine; thin-film photovoltaic cell; testing of closed-loop, short-rotation wood as a dedicated fuel source; and yeast that can ferment most biomass-derived sugars for ethanol.
- The Strategic Petroleum Reserve and the Home Heating Oil Reserve will be maintained.
- **Mandated energy regulations highlighted in the budget include a final rule for residential air conditioning products for specialized applications and the initiation of rulemakings for residential furnaces and boilers, commercial air conditioning products, and electrical distribution transformers.**
- Tax credits for residential solar energy systems are provided
- Existing tax credits for producing electricity from sources such as wind and biomass are extended and modified.

➤ **General Services Administration**

- The budget states that the Public Buildings Service plans to deliver 65 percent of its construction projects and 82 percent of its repair projects on schedule and within budget, up from 60 percent and 78 percent in 2001, respectively.
- The budget proposes \$513 million (net discretionary budget authority) primarily to support GSA's Office of Government-wide Policy, the Office of the Inspector General, and the **construction of Federal buildings.**

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II. COMMITTEE ACTIVITY

HOUSE

Comments or Action Items

Democratic Response to California Energy Crisis – Last week, 39 House Democrats joined Minority Leader Dick Gephardt (D/MO) in his request for a temporary price cap on power for Western states. On April 4, the coalition of Western members introduced a bill (not yet available) that would require price caps and authorize an increase in the authority of the Federal Energy Regulatory Commission to obtain refunds for overcharging by independent generators.

Meanwhile, after a review of draft bills by committee members, the Chairmen of the Committee on Energy and Power and the Subcommittee on Energy and Air Quality, Billy Tauzin (R/LA) and Joe Barton

(R/TX), are reportedly considering introducing a “package” of bills to address Western state energy problems. Price caps will not be included as an option in this tentative package of bills.

SENATE

Comments or Action Items

FY 2002 Budget Resolution – On April 6, the Senate passed its FY 2002 Budget Resolution, a non-binding agreement that serves as the foundation for the FY 2002 appropriations process. The Senate-approved budget provides \$1.2 trillion in tax cuts over 10 years versus the \$1.6 trillion in cuts in the President’s proposal and the House Budget Resolution. As a result of Democratic amendments, the Budget Resolution **restores some funding for DOE’s renewable energy program (provides a \$65 million offset in proposed budget cuts) as well as Federal climate change activities (including \$2 billion in offsets for energy efficiency over a ten-year period).** A conference committee schedule to resolve House and Senate differences has not been scheduled.

Hearing on Interaction of Our Environmental Regulations and the Nation’s Energy Policy – Last week, George Voinovich (R/OH), Chairman of the Subcommittee on Clear Air (Committee on Environment and Public Works), held the second of a series of hearings on the relationship between energy and the environment. Chairman Voinovich expressed his desire to focus on price and supply issues related to oil and gas “while continuing to improve the environment and public health. The question is, how do we harmonize our energy needs and our environmental needs to achieve a National Energy Policy?” In his opening remarks, he also expressed support for the development of alternative fuels, particularly ethanol.

Creation of an Energy Almanac of the West – On March 27, Frank Murkowski (R/AK), Chairman of the Committee on Energy and Natural Resources, announced that he sent a letter to Secretary Abraham requesting a “complete inventory of energy sources available to meet shortages in the western United States.” In his request, Chairman Murkowski said:

While permanent solutions will require the construction of new generation and transmission infrastructure, in the short term we can take steps to get every last watt into California. We need to know what’s available, what isn’t, and why.... The energy almanac of the west will let us know the exact condition and capacity of power plants, opportunities to increase output, and regulations or barriers that may stand in the way. We need to know what plants have exceeded their permitting capacity and where other plants are in their re-permitting process. I have also asked for a review of constraints on our ability to move that power within the west and into California.

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III. NEW LEGISLATION

HOUSE

Number	Short Title	Date	Sponsor	Key Provisions	Status
<i>H.R.721</i>	<i>No Short Title</i>	February	Albert Wynn	Temporarily suspends new	Referred to the

Number	Short Title	Date	Sponsor	Key Provisions	Status
		14	(D/MD) <i>Committee on Energy and Commerce, Subcommittee on Energy and Air Quality</i>	contracting out, privatization, outsourcing, and other such initiatives beginning on date of enactment of this <i>Act</i> ; Directs any agency to submit to OMB request for waiver with regard to particular function that identifies facilities, units or activities affected, specifies reason for waiver, identifies duration, and explains justification for waiver; OMB may grant waiver if it is necessary for preservation of national security, critical for provision of patient care, or necessary for prevention of extraordinary economic harm, after request for waiver is published in <i>Federal Register</i> ; Directs each agency to establish centralized reporting system in accordance with guidance from OMB that allows agency to generate periodic reports on contracting out and contracting in; Directs reports to include contract number, Federal supply class or service code, explanation of contracting effort, names, addresses, and telephone numbers of officials supervising contracting effort, competitive process used, cost of Federal employee performance at time work was contracted out, anticipated and current costs of contractor performance, annual savings, description of quality control process, and number of employees performing contracting effort; Requires any decision by agency to privatize, outsource, contract or contract out, including exercise of options, extensions, and renewals, to be based on results of public-private competition process that formally compares costs of Federal employee performance of function with costs of performance by contractor,	Committee on Government Reform

Number	Short Title	Date	Sponsor	Key Provisions	Status
				employs most efficient organization process, conducted in consultation with exclusive representative of Federal employees performing function, but does not apply to work performed by private sector prior to date of enactment of this <i>Act</i> ; Directs Department of Labor to conduct a survey of wages and quantifiable benefits provided by contractors to non-Federal personnel working in various occupations under contracts	
<i>H.R.724</i>	<i>No Short Title</i>	March 7	Charles Bass (R/NH) <i>Committee on Energy and Commerce, Subcommittees on Commerce, Trade, and Consumer Protection; Environment and Hazardous Materials; Oversight and Investigations</i>	Authorizes appropriations to carry out part B of title I of <i>Energy Policy and Conservation Act</i> , relating to Strategic Petroleum Reserve	Received in the Senate and referred to the Committee on Energy and Natural Resources
<i>H.R.1329</i>	<i>No Short Title</i>	March 30	James Sensenbrenner (R/WI)	Amends <i>Internal Revenue Code of 1986</i> to make credit for increasing research activities permanent	Referred to the Committee on Ways and Means

SENATE

Number	Short Title	Date	Sponsor	Key Provisions	Status
<i>S.670</i>	<i>Renewable Fuels Act of 2001</i>	March 30	Thomas Daschle (D/SD)	Amends <i>Clean Air Act</i> to reduce toxic air pollutant emissions and aromatic hydrocarbon content achieved under reformulated gasoline program and increase production and use of ethanol; Requires EPA to ban methyl tertiary butyl ether (MTBE) in gasoline not later than four years after enactment of this <i>Act</i> ; Establishes Clean Alternative Fuel Program to include cellulosic biomass ethanol derived from matter available on renewable or recurring basis	Referred to the Committee on Environment and Public Works

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IV. ADMINISTRATION INITIATIVES

POLITICAL APPOINTMENTS

Administrator of the General Services Administration – Stephen A. Perry of Ohio.

Amendment to Executive Order 13202 – Open Competition and Government Neutrality Towards Government Contractors’ Labor Relations on Federal and Federally Funded Construction Projects –

On April 6, the Administration added Amendment 5 to the law revoking the authorization of the head of a Federal agency to deny Federal construction projects to companies that are recognized as repeatedly violating Federal laws including environmental, labor, health, and workplace safety requirements. Amendment 5 authorizes the head of an agency to “exempt a particular project from the requirements of any or all of the provisions in sections 1 and 3 of this order.” The law became effective on January 19.

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V. HEARINGS SCHEDULE

HOUSE – APPROPRIATIONS

No hearings of interest to FEMP have been scheduled.

HOUSE – AUTHORIZATIONS/OVERSIGHT

Date/Committee	Chair	Hearing Title/Issues	Witnesses	Time/Location
April 10, 11, 12 – Committee on Government Reform (NEW)	Dan Burton (R/IN)	<i>Field Hearings (Series of three hearings) -</i> Examination of the energy crisis in the State of California and options to increase energy supply and increase demand	Curt Herbert, FERC; Loretta Lynch, California PUC; and representatives from the utility industry, generators, governmental agencies, and local organizations	April 10 – Sacramento April 11 – San Jose April 12 – San Diego

SENATE – APPROPRIATIONS

Date/Committee	Chair	Hearing Title/Issues	Witnesses	Time/Location
April 24 – Subcommittee on Interior and Related Agencies	Conrad Burns (R/MT)	<i>Hearing</i> – Proposed FY 2002 budget estimates for the Department of Interior	TBA	10:00 a.m. Room 138 Dirksen Office Building
April 25 – Subcommittee on Defense (NEW)	Jerry Lewis (R/CA)	<i>Hearing</i> – Proposed FY 2002 budget estimates for the Department of	TBA	10:00 a.m. Room 192 Dirksen Office

Date/Committee	Chair	Hearing Title/Issues	Witnesses	Time/Location
		Defense		Building
<i>April 25 –</i> Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies	Thad Cochran (R/MS)	<i>Hearing – Proposed FY 2002 budget estimates for the Department of Agriculture</i>	TBA	1:30 p.m. Room 138 Dirksen Office Building
<i>May 1 –</i> Subcommittee on Energy and Water Development	Pete Domenici (R/NM)	<i>Hearing – Proposed FY 2002 budget estimate for DOE’s energy efficiency, renewable energy, science, and nuclear energy programs</i>	TBA	10:00 a.m. Room 124 Dirksen Office Building
<i>May 2 –</i> Subcommittee on Veterans’ Administration, Housing and Urban Development, and Independent Agencies	Christopher Bond (R/MO)	<i>Budget Overview – proposed FY 2000 Budget estimates for the Department of Veterans’ Affairs</i>	TBA	10:00 a.m. Room 138 Dirksen Office Building
<i>May 8 –</i> Subcommittee on Interior and Related Agencies	Conrad Burns (R/MT)	<i>Hearing – Proposed FY 2002 budget estimates for the Department of Energy</i>	TBA	10:00 a.m. Room 124 Dirksen Office Building
<i>May 9 –</i> Subcommittee on Veterans’ Affairs, Housing and Urban Development, and Independent Agencies	Christopher Bond (R/MO)	<i>Hearing – Proposed FY 2002 budget estimates for the National Aeronautic and Space Administration</i>	TBA	10:00 a.m. Room 138 Dirksen Office Building
<i>June 13 –</i> Subcommittee on Veterans’ Affairs, Housing and Urban Development, and Independent Agencies	Christopher Bond (R/MO)	<i>Hearing – Proposed FY 2002 budget estimates for the Environmental Protection Agency</i>	TBA	10:00 a.m. Room 138 Dirksen Office Building

SENATE – AUTHORIZATIONS/OVERSIGHT

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